

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Competitive Products Price Changes
Rates of General Applicability

Docket No. CP2022-99

CHAIRMAN'S INFORMATION REQUEST NO. 1

(Issued August 18, 2022)

To clarify the USPS Notice of Time-Limited Changes in Rates of General Applicability for Competitive Products, filed August 10, 2022,¹ the Postal Service is requested to provide written responses to the following questions. The responses are due no later than August 25, 2022.

1. Please refer to USPS Notice of Revised Effective Date, Pursuant to Governors' Decision 22-4, filed August 16, 2022, in Docket Nos. MC2022-81 and MC2022-82.² The Postal Service states "[t]he classifications that are the subject of the instant dockets shall now be effective at such time in calendar year 2023 as management considers appropriate." Docket Nos. MC2022-81 and MC2022-82 Notice at 1.
 - a. Please confirm the Postal Service expects to set the effective date of the classification changes that are the subject of Docket Nos. MC2022-81 and MC2022-82 to on or after January 22, 2023.

¹ USPS Notice of Time-Limited Changes in Rates of General Applicability for Competitive Products, August 10, 2022 (Notice).

² Docket Nos. MC2022-81 and MC2022-82, USPS Notice of Revised Effective Date, Pursuant to Governors' Decision 22-4, August 16, 2022 (Docket Nos. MC2022-81 and MC2022-82 Notice).

- b. If question 1.a. is not confirmed, please explain why the instant docket proposes prices for Retail Ground, Parcel Select Ground, and First-Class Package Service that would be effective through January 22, 2023.
 - c. If question 1.a. is not confirmed, please discuss how First-Class Package Service will be priced between the effective date of the classification changes that are the subject of Docket Nos. MC2022-81 and MC2022-82 and January 22, 2023.
- 2. Please refer to Excel file "PS Calc.xlsx."
 - a. Please define the acronyms TLPC and DIM found in tab "After Rates DIM Revenue PSG," cell B5.
 - b. Please refer to tabs "Baseline PSDE Prices" and "Proposed PSDE Prices."
 - i. Please confirm that the price table in tab "Baseline PSDE Prices" reflects current prices for both machinable and nonmachinable Parcel Select Destination Entry. If not confirmed, please identify what the prices in the price table reflect.
 - ii. Please confirm that the price table in tab "Proposed PSDE Prices" reflects the proposed prices for both machinable and nonmachinable Parcel Select Destination Entry. If confirmed, please explain why the title of the price table refers to machinable prices. If not confirmed, please then confirm that the prices for pieces weighing more than 35 pounds and up to 70 pounds are nonmachinable prices.
 - iii. Please refer to the price tables in tabs "Baseline PSDE Prices" and "Proposed PSDE Prices" and provide the source data and underlying calculations for the prices in cells C80:J80 in both tabs.

- iv. Please provide the prices missing from cells D80:F80 or explain why they should be omitted in tabs “Baseline PSDE Prices” and “Proposed PSDE Prices.”
 - v. Please refer to the notes in cells A84, B86, and E86 and the prices in cells F9:F80 in tabs “Baseline PSDE Prices” and “Proposed PSDE Prices.” The notes in cells A84, B86, and E86 reference a nonmachinable surcharge for destination sectional center facility (DSCF) (if 3-digit). Please also refer to the note in cell A87. Please confirm that the prices in cells F9:F80 include the nonmachinable surcharge referenced in cell E86. If not confirmed, please explain why there are machinable rates for DSCF 3-digit pieces in light of the note in cell A87.
 - vi. Please confirm that machinable DSCF 3-digit pieces will also pay the nonmachinable rate. If not confirmed, please explain why not in light of the note in cell A87 in tabs “Baseline PSDE Prices” and “Proposed PSDE Prices.”
- c. Please provide a revision of Excel file “PS Calc.xlsx” that includes separate price tables for machinable and nonmachinable prices, reflects corrected identification of price tables (e.g., machinable vs. nonmachinable prices), and includes source data and formulas that demonstrate calculations.
3. Please refer to Excel files “NonPublic Annex Oct-Jan (BY21) FY2023.xlsx,” “AfterRates_V14AR_Rev & Vol NonPublic.xlsx,” “BeforeRates_V10BR_Rev & Vol NonPublic.xlsx,” “IC2023V10BRAttributableCost.xlsx,” and “IC2023V14ARAttributableCost.xlsx.”
- a. Please provide a revision of Excel file “NonPublic Annex Oct-Jan (BY21) FY2023.xlsx” that includes source data and formulas that demonstrate the

calculations of the data presented in the file. Please also include in the revised file any revisions necessitated by the responses to question 3.c. To the extent that the public (redacted) version of that file also needs to be revised, please file a revised public (redacted) version as well.³

- b. Please refer to Excel files “IC2023V10BRAttributableCost.xlsx,” tab “Attrib Contrib2023BR,” rows 75 and 83 and “IC2023V14ARAttributableCost.xlsx,” tab “Attrib Contrib2023AR,” rows 75 and 83. Please explain the difference between the data reported in the two referenced rows in both files.
- c. Please refer to Excel file “NonPublic Annex Oct-Jan (BY21) FY2023.xlsx,” tab “Competitive Oct-Jan FY23.”
 - i. Please refer to cells G48, H48, I48, and J48. Given that Parcel Return Service prices are not proposed to change in this proceeding, please explain why the referenced cells reflect changes. See Notice at 1.
 - ii. Please refer to cells H31:H32, H36:H37, and H85:H86. Please reconcile the volume data in the referenced cells with the corresponding volume data reported in Excel files “AfterRates_V14AR_Rev & VolNonPublic.xlsx,” tab “GFY_Vol,” cells R134:R136 and R160 and “BeforeRates_V10BR_Rev & Vol NonPublic.xlsx,” tab “GFY_Vol,” cells R134:R136 and R160.
 - iii. Please refer to cells G85:G86. Please also refer to Excel files “IC2023V10BRAttributableCost.xlsx,” tab “Attrib Contrib2023BR,” cells C74 and C83 and “IC2023V14ARAttributableCost.xlsx,” tab

³ See Notice, Competitive Rate Changes October 02, 2022 to January 22, 2023 Implementation, at 1.

“Attrib Contrib2023AR,” cells C74 and C83. Please reconcile the revenue data in the referenced cells with the corresponding revenue data reported in Excel files “AfterRates_V14AR_Rev & Vol NonPublic.xlsx,” tab “GFY_Rev,” cell R180 and “BeforeRates_V10BR_Rev & Vol NonPublic.xlsx,” tab “GFY_Rev,” cell R180.

4. Please refer to the Excel file “FCPS Calc.xlsx,” tab “FCPS BR Prices & Revenue,” cells R6:R9 and the January 22, 2023, rollback prices proposed for the Mail Classification Schedule (MCS) in section 2125.6.⁴ Please confirm that the prices for Zone 7 pieces with a maximum weight of 4 ounces will be rolled back to \$3.72 and not the prices in the referenced cells. If confirmed, please submit a revision of Excel file “FCPS Calc.xlsx” to reflect the correct prices.
5. Please confirm that First-Class Package Service has Zone 9 prices. If confirmed, please explain why a column and heading reflecting Zone 9 pricing does not appear in the MCS for First-Class Package Service Retail and Commercial.⁵ Please also submit revised MCS price tables reflecting the Zone 9 prices for First-Class Package Service both as of October 2, 2022, and after the proposed rates are rolled back on January 22, 2023.

By the Chairman.

Michael Kubayanda

⁴ Notice, Decision of the Governors of the United States Postal Service on Changes in Rates of General Applicability for Competitive Products (Governors’ Decision No. 22-3), at Attachment to Governors’ Decision 22-3 January 22, 2023 Price Rollback, § 2125.6 (January 22 MCS Attachment).

⁵ January 22 MCS Attachment at § 2125.6; Notice, Decision of the Governors of the United States Postal Service on Changes in Rates of General Applicability for Competitive Products (Governors’ Decision No. 22-3), at Attachment to Governors’ Decision 22-3 October 2, 2022 Price Change, § 2125.6.